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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re** :  
 : **Chapter 11**  
**SEARS HOLDINGS CORPORATION, et al.,** :  
 : **Case No. 18-23538 (RDD)**  
 :  
**Debtors.<sup>1</sup>** : **(Jointly Administered)**  
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**CERTIFICATE OF NO OBJECTION REGARDING STIPULATION  
AND ORDER BY AND AMONG SELLERS, BUYER, AND  
LANDLORD IZEK SHOMOF AND ALINE SHOMOF IRREVOCABLE  
CHILDREN'S TRUST DATED FEBRUARY 11, 1999,  
VEGAS GROUP, LLC, AND EAST RIVER GROUP, LLC  
EXTENDING TIME UNDER 11 U.S.C. § 365(d)(4) FOR ASSUMPTION  
OR REJECTION OF LEASE OF NONRESIDENTIAL REAL PROPERTY**

TO THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE:

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Pursuant to 28 U.S.C. § 1746 and Rule 9075-2 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), the undersigned hereby certifies as follows:

1. Beginning on October 15, 2018 (the “Commencement Date”) and continuing thereafter, each of Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code.

2. On February 8, 2019, the Court entered the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Leases in Connection Therewith, and (IV) Granting Related Relief* (ECF No. 2507) (the “Sale Order”), approving the Sale Transaction<sup>2</sup> and the Asset Purchase Agreement Dated as of January 17, 2019 By and Among Transform Holdco, LLC (the “APA”).

3. On May 29, 2019, Transform filed the *Notice of Presentment of Stipulation and Order By and Among Sellers, Buyer, and Landlord Izek Shomof and Aline Shomof Irrevocable Children’s Trust Dated February 11, 1999, Vegas Group, LLC, and East River Group, LLC (I) Extending Time Under 11 U.S.C. § 365(d)(4) for Assumption or Rejection of Lease of Nonresidential Real Property and (II) Setting Briefing Schedule* (ECF No. 4066) (the “Notice”) attaching the proposed *Stipulation and Order By and Among Sellers, Buyer, and Landlord Izek Shomof and Aline Shomof Irrevocable Children’s Trust Dated February 11, 1999, Vegas Group, LLC, and East River Group, LLC (I) Extending Time Under 11 U.S.C. § 365(d)(4) for Assumption*

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<sup>2</sup> Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Sale Order or, if not defined in the Sale Order, the APA.

*or Rejection of Lease of Nonresidential Real Property and (II) Setting Briefing Schedule* (the “Proposed Stipulation and Order”).

4. The Notice established a deadline of June 5, 2019 at 4:00 p.m. (prevailing Eastern Time) for parties to object to the Motion (the “Objection Deadline”). The Amended Order Implementing Certain Notice and Case Management Procedures, entered on November 1, 2018 (ECF No. 405) (the “Amended Case Management Order”) provides that a motion or application may be granted without a hearing, provided that no objections or other responsive pleadings have been filed after the passage of the Objection Deadline and the attorney for the entity who filed the pleadings complies with the terms of the Amended Case Management Order.

5. The Objection Deadline has passed and, to the best of my knowledge, no objection or request for a hearing with respect to the Motion has been (a) filed with the Court on the docket of the above-captioned case or (b) served on counsel to Transform in accordance with the Amended Case Management Order.

6. The Proposed Stipulation and Order is annexed hereto as **Exhibit A**.

7. Accordingly, Transform respectfully requests that the Proposed Stipulation and Order be entered in accordance with the Amended Case Management Order. I declare that the foregoing is true and correct.

Dated: June 6, 2019  
New York, New York

/s/ Luke A. Barefoot

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Luke A. Barefoot, Esq.

*Attorneys for Transform Holdco LLC*

**Exhibit A**

**Proposed Stipulation and Order**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:	
	:	<b>Chapter 11</b>
<b>SEARS HOLDINGS CORPORATION, <i>et al.</i>,</b>	:	
	:	<b>Case No. 18-23538 (RDD)</b>
	:	
<b>Debtors.<sup>3</sup></b>	:	<b>(Jointly Administered)</b>
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**STIPULATION AND ORDER BY AND AMONG  
SELLERS, BUYER, AND LANDLORD IZEK SHOMOF AND ALINE SHOMOF  
IRREVOCABLE CHILDREN’S TRUST DATED FEBRUARY 11, 1999, VEGAS  
GROUP, LLC, AND EAST RIVER GROUP, LLC (I) EXTENDING TIME UNDER 11  
U.S.C. § 365(d)(4) FOR ASSUMPTION OR REJECTION OF LEASE OF  
NONRESIDENTIAL REAL PROPERTY AND (II) SETTING BRIEFING SCHEDULE**

This Stipulation and Order (the Stipulation and Order) is made as of May 29, 2019, by and between Sears Holdings Corporation and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), Transform Holdco LLC, as Buyer (the “Buyer”) and Izek Shomof and Aline Shomof Irrevocable Children’s Trust Dated February 11, 1999, Vegas Group, LLC, and East River Group, LLC (collectively, the “Landlord” and

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<sup>3</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

together with the Debtors and the Buyer, the “Parties”), through their respective and duly authorized counsel of record.

**Recitals**

A. The Landlord and Debtor Sears, Roebuck and Co. are parties to that certain lease dated as of May 5, 2011 (as amended and/or modified, the “Lease”) of nonresidential real property (the “Premises” ) at 2650 East Olympic Boulevard in Boyle Heights, Los Angeles, California (Store #1008).

B. On October 15, 2018 , the above-captioned debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).

C. On January 18, 2019, the Debtors filed and served on the applicable counterparties the Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction (ECF No. 1731) (the “Initial Notice”).

D. On January 25, 2019, the Landlord filed the *Objection to Cure Amount for Store #1008 Filed by Izek Shomof and Aline Shomof Irrevocable Children’s Trust Dated February 11, 1999, Vegas Group, LLC, and East River Group, LLC* (ECF No. 1837) (the “Landlord Cure Objection”) objecting to the Assumption and Assignment Notices with respect to the Cure Amount and Adequate Assurance for the Lease.

E. On February 8, 2019, the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith, and (IV)*

*Granting Related Relief* (the “Sale Order”) (ECF No. 2507) was entered by the Bankruptcy Court, approving the sale of certain assets of the Debtors to Buyer.

F. In accordance with the terms of the Sale Order, Buyer was permitted to designate Additional Contracts and Designatable Leases (collectively, the “Additional Assigned Agreements”) for assumption and assignment for up to sixty (60) days after the Closing Date (the “Designation Rights Period”), which occurred on February 11, 2019. The Debtors and Buyer agreed to an extension of the Designation Rights Period and, on April 12, 2019, the Debtors filed the Notice of Amendment to Asset Purchase Agreement Extending Certain Deadlines (the “Extension Notice”) (ECF No. 3171), which extended the Designation Rights Period to May 3, 2019 for certain Designatable Leases including the Lease and to May 13, 2019 for Additional Contracts.

G. On April 2, 2019, the Bankruptcy Court entered its *Order (I) Authorizing Assumption and Assignment of Certain Executory Contracts and Leases and (II) Granting Related Relief* (the “Assumption and Assignment Order”) (ECF No. 3008).

H. On April 19, 2019, Buyer filed the *Notice of Assumption and Assignment of Additional Designatable Leases* (the “Cure/Designation Notice”) (ECF No. 3298), which included the Lease.

I. On May 2, 2019, the Landlord filed the *Supplemental Cure Objection and Reservation of Rights (Store #1008)* (ECF No. 3477) (“Landlord Supplemental Cure Objection”).

J. The deadline for the Debtors to assume or reject the Lease pursuant to section 365(d)(4) of the Bankruptcy Code, including the Lease, was May 13, 2019 (the “Section 365(d)(4) Period”).



K. On May 4, 2019, the Parties filed the *Stipulation and Order by and among Sellers, Buyer, and Izek Shomof and Aline Shomof Irrevocable Children's Trust Dated February 11, 1999, Vegas Group, LLC, and East River Group, LLC (I) Extending Time Under 11 U.S.C. § 365(d)(4) for Assumption or Rejection of Lease of Nonresidential Real Property and (II) Setting Briefing Schedule* (ECF No. 3817) agreeing to an extension of the Section 365(d)(4) Period to and including June 30, 2019.

L. The Parties have agreed to a further extension of the Section 365(d)(4) Period, based on the terms and conditions set forth below.

**IT IS THEREFORE AGREED, AND UPON BANKRUPTCY COURT APPROVAL  
HEREOF, IT SHALL BE ORDERED AS FOLLOWS:**

1. The Landlord hereby consents to a further extension of the Section 365(d)(4) Period to and including August 9, 2019.
2. The Parties desire to memorialize their agreement in this Stipulation and Order.
3. This Stipulation shall be deemed effective and in full force and effect on the date of entry of this Stipulation and Order.
4. Pursuant to section 365(d)(4) of the Bankruptcy Code, the Section 365(d)(4) Period is hereby extended to and including August 9, 2019. For the avoidance of doubt, such date shall remain the applicable date by which assumption or rejection of the Lease shall be permitted regardless of the date of confirmation of any plan of reorganization of the Debtors.
5. This Stipulation and Order hereby constitutes “prior written consent of the lessor” under section 365(d)(4)(B)(ii) of the Bankruptcy Code and no further consent of the Landlord shall be required.

6. Each of the Buyer, Debtors, and Landlord has consented to the Briefing Schedule set forth below and a hearing on August 2, 2019 at 10:00 a.m. (or such other hearing date as the Bankruptcy Court shall establish):

<b>Date</b>	<b>Filing</b>
July 9, 2019	Buyer's Response due at 11:59 p.m.
July 26, 2019	Landlord's Reply due at 11:59 p.m.
August 2, 2019	Hearing to resolve Landlord Objections at 10:00 a.m.

7. In addition to any other obligations it may have under the Asset Purchase Agreement, dated as of January 17, 2019, as amended, the Buyer agrees to bear all occupancy costs relating to the Lease during the period from May 13, 2019 through the Section 365(d)(4) Period, as extended by this Stipulation and Order.

8. Nothing herein shall be deemed to alter, amend or otherwise modify the terms of the Lease, and such terms shall continue in full force and effect up to the effective date of (a) rejection of the Lease or (b) assumption of the Lease pursuant to section 365 of the Bankruptcy Code and the Assumption and Assignment Order.

9. This Stipulation and Order is without prejudice to the Parties' agreement in writing to an additional extension of the Section 365(d)(4) Period beyond August 9, 2019.

10. This Stipulation and Order shall inure to the benefit of and shall be binding upon the Parties, their successors and assigns.

11. This Stipulation and Order may be executed in one or more counterparts, which collectively shall form one and the same agreement. Any of the Parties may execute this

Stipulation and Order by signing any such counterpart and each of such counterparts (whether an original or a copy) shall for all purposes be deemed an original.

12. Pending approval of this Stipulation and Order by the Bankruptcy Court, neither party shall take actions inconsistent with the provisions of this Stipulation and Order. In the event that this Stipulation and Order is not approved by the Bankruptcy Court or is not executed by the Parties, (a) nothing herein shall be used against any of the Parties hereto for any reason and (b) the obligations of the Parties under this Stipulation and Order shall be null and void, and with the exception of this paragraph, the Parties' respective rights and obligations under applicable law shall remain unaffected by this Stipulation and Order.

13. The Bankruptcy Court shall have jurisdiction over any action or proceeding arising out of, or relating to, this Stipulation and Order.

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Dated: May 29, 2019

Dated: May 29, 2019

**WEIL, GOTSHAL & MANGES LLP**

**CLEARY GOTTlieb STEEN &  
HAMILTON LLP**

By: /s/ Jacqueline Marcus

By: /s/ Luke A. Barefoot

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*Counsel for the Landlord*

**IT IS SO ORDERED.**

Dated: New York, New York  
May \_\_, 2019

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UNITED STATES BANKRUPTCY JUDGE